Policy on Import Substitution

1158. SHRI IQBAL SINGH: Will the Minister of COMMERCE be pleased to state:

(a) the concrete programme/policy Government propose swith regard to promotion of import substitution and self-reliance for foreign trade;

(b) if so, the specific reasons for increasing import during the current financial year; and

(c) the effective measures being taken by Government to improve the balance of payment of the country?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM): (a) to (c) one of the objectives of the current export and import Policy is to provide enhanced opportunities to the domestic sector to participate and benefit from export growth. For this purpose Duty Free Licensing Scheme has been made more domestic supplier friendly. Further, scope of deemed exports has been widened which will an-courage domestic manufacturers to supply goods to specified projects and avail of the benefits under deemed exports.

During 1995-96, apart from increase in imports of items of mass consumption like edible oils, petroleum and petroleum products and fertilisers, there has been substantial increase in import of capital goods including raw meterial etc. Such imports are intended to help in producing value added products which in turn would encourage further exports.

The current Export and Import Policy provides the framework to promote and sustain export growth and thereby improve the balance of payments position.

12 Noon

(The Deputy Chairman *in the Chair)*

PAPERS LAID ON THE TABLE

I. Report and accounts (1994-95) of Food Corporation of India

II. Report of the Comptroller and Auditor General of India

III. Notification of the Minsitry of Food relating Food Corp. of India

IV. Report and accounts (1994-95) of the Central Warehousing Corporation.

V. M.O.U. between Govt, of India and Central Warehousing Corporation

THE MINISTER OF FOOD (SHRI AJIT SINGH) : Madam, I lay on the Table—

I. A copy each (in English and Hindi) of the following papers, under sub section (2) of Section 35 of the Food Corporation Act, 1964:—

(i) Annual Report and Accounts of the Food Corporation of India, New Delhi for the year 1994-95, together with the Auditors' Report on the Accounts,

(ii) Review by Government on the Working of the above Corporation,

(iii) Statement giving reasons for the delay in laying the papers mentioned at (i) above

[Placed in Library, *See* No. LT-9291/96]

II. A copy (in English and Hindi) of the Report of the Comptroller and Auditor General of India—Union Government—|No. 17 (Commercial) of 1995] relating to Food Corporation of India, under clause 1 of article 151 of the Constitution.

[Placed in Library, *See* No. LT-9290/96|

III. (a) A copy (in English and Hindi) of the Ministry of Food (Department of Food), Notification G.S.R. No. 27(E), dated the 12th January, 1996, publishing the Sugar Development Fund (Amendment) Rules, 1995. under sub-section (3) of Section 9 of the Sugar Development Fund Act, 1982.

[Placed in Library, *See* No. LT-9335/ 96]